



Major Concern of Direction
KADYSHORE

to:

bernstein.chambers

06/30/2011 04:27 PM

Cc:

ksilverman, taoje, elisabetta.g.gasparini, bessettep, zaidiekgh

Show Details

Dear Honorable Judge Bernstein

As a concerned American, Disabled Veteran and Spongetech Share holder, I feel the necessity to write to you. As you sit in judgement of a very complicated case (doc#10-13647-SMB), there are literally thousands of eyes upon your Proceedings. For two years now it seems the direction of the Trustee on this case is to extinguish any remembrance of this corporation whatsoever. At every juncture we feel progress should be made in rebuilding our company, Mr. Silverman continues to find the glass half empty and presents yet another road block. Even now after knowing since July 2010 that we have an operating subsidiary BTR (with a possible estimated value of 12M to 14M) as documented in the June 28, 2010 transcripts, Mr. Silverman wishes to pass this debt off to Reid/Collins for litigation. I feel this is clearly a case for Mr. Silverman to pursue as Trustee, and save the contingency fee (which would be considerable) Reid/Collins would receive. Mr. Silverman's oversight in moving into chapter 7 was premature and unnecessary. E-mail's from S. Moskowitz and D. Piloni about the BTR loan got buried and forgot about. Even last week at the June 28, 2010 hearing when Mr. Moskowitz presented the BTR financial's to your honor, Mr. Silverman submits permission to pass this on to Reid/Collins this week. With the recent headlines of the SEC movement against fraud in the market place, I feel a change is coming. It would be a complete injustice for Spongetech to be destroyed before that change occurs. I myself have no legal background whatsoever, which is why I beseech your honor to look at this case from an average person's perspective along with the legality of it. There must be some legal precedent that would compel Mr. Silverman to look into recovering the most for the sake of the Estate, Creditor and share holders and not the expedient extinction of Spongetech. I thank You for taking the time to read this, Gary Jacob.

MEMO ENDORSED

The Court does not grant relief requested by KADY. Any party in interest seeking relief must make a motion on notice in accordance with the Bankruptcy Code and appropriate rules

So ordered.

STUART M. BERNSTEIN

7/5/11